REPORT

SIOUX LOOKOUT
Hub of the North

MEETING TYPE: Regular Council Meeting

To:	Council
From:	Yajvir Deswal, Engineering and Capital Projects Manager
Date:	June 18, 2025
Subject:	Award of Contract - Tender T018-2025 Asphalt Overlay
Report No.:	2025-580

TITLE: Award of Contract - Tender T018-2025 Asphalt Overlay

RECOMMENDATION:

THAT Council awards Tender No. T018-2025 for the 2025 Asphalt Overlay Project to A.J. Positano Paving Ltd. for the amount of $329,780.00 plus HST; and further

THAT Council authorizes the passing of By-law No. 43-25, Being a By-law to Authorize the Mayor and the Clerk to Execute a Contract between The Corporation of the Municipality of Sioux Lookout and A.J. Positano Paving Ltd. for the 2025 Asphalt Overlay in the amount of $329,780.00 plus HST.

PURPOSE:

The purpose of this report is to seek Council's approval to award the 2025 Asphalt Overlay contract to A.J. Positano Paving Ltd., following a competitive procurement process conducted in accordance with the Municipality's Procurement Policy.

BACKGROUND:

The Municipality issued Tender No. T018-2025 for the Asphalt Overlay Program on May 13, 2025, via Biddingo. The goal of this tender is to address aging road infrastructure in key areas and to improve driving conditions, safety, and asset longevity.
Through the release of this Tender, the Municipality sought qualified contractors to undertake hot mix asphalt resurfacing at the following locations:

- First Avenue: From Prince Street to Cedar Crescent
- Atwood Street: From Birchwood Crescent to First Avenue

The tender closed on May 30, 2025, and two bids were received:

1. A.J. Positano Paving: $329,780.00 (excl. HST)
2. Miller Paving Limited: $276,192.70 (excl. HST)

Although Miller Paving Ltd. submitted the lower bid, their submission was incomplete. The bidder did not submit the required bonding documents with their bid package, contrary to the terms outlined in the tender. Follow-up correspondence confirmed that Miller attempted to secure the required bonds after the bid closing time.

As per the Municipality's Procurement Policy (Section 13), all mandatory submission requirements must be met at the time of bid closing for the bid to be considered compliant.

DISCUSSION:

A.J. Positano Paving provided a complete and compliant bid submission, including all required forms, insurance certificates, WSIB clearance, and bonding documentation.
Awarding the tender to the lowest *compliant* bidder (Positano) upholds the principles of fairness, transparency, and adherence to established procurement rules. This mitigates potential challenges and ensures consistency with past practice and internal audit readiness.

Furthermore, Positano is a reputable contractor with a history of performing similar municipal projects within Northwestern Ontario, and in Sioux Lookout.

RELATIONSHIP TO THE STRATEGIC PLAN:

This project supports the Municipality's 2020–2025 Strategic Plan in the following key areas:

- Community Innovation & Development: By rehabilitating priority roadway segments within Sioux Lookout, the Municipality is maintaining core transportation infrastructure that facilitates safe, accessible, and efficient mobility for residents, businesses, and visitors.
- Community Health and Safety: Road conditions directly influence public safety, emergency response, and active transportation. Asphalt resurfacing not only reduces risks associated with poor surface quality but also supports smoother travel for service vehicles, cyclists, and pedestrians. In doing so, this project supports the Municipality's broader vision of making Sioux Lookout a safe, connected, and inclusive community.

FINANCIAL IMPLICATIONS:

Project will be funded through Community Build Fund (Federal Gas Tax funding).

ATTACHMENTS:

1. 43-25--_BABL_to_Execute_a_Contract_with_AJ Positano for 2025 Asphalt Overlay.docx
2. T018-2025 Asphalt Overlay AJ Positano.pdf
3. 2025 SL Overlay T018-2025 Miller Paving Ltd.pdf

Written By:
Yajvir Deswal, Engineering & Capital Projects Manager

Approved By:
Brian P. MacKinnon, CAO/Municipal Clerk